



SACHI A. HAMAI  
Chief Executive Officer

# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

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To: Supervisor Hilda Solis, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: Sachi A. Hamai  
Chief Executive Officer

Board of Supervisors  
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First District

MARK RIDLEY-THOMAS  
Second District

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MICHAEL D. ANTONOVICH  
Fifth District

## COUNTY OUTCOME MEASURES (ITEM NO. 4, AGENDA OF OCTOBER 20, 2015)

On October 20 2015, your Board instructed the Chief Executive Officer (CEO) to work with the County's Chief Data Officer in the Chief Information Office (CIO) and report back in 60 days on the following issues relating to County outcome measures:

1. Provide the current processes, procedures, or methods that the County has in place for County departments to report regularly to the CEO on how they measure the effectiveness of the programs and services they provide to Los Angeles County residents; and
2. Review best practices in developing a more outcome-focused approach toward program and service delivery by examining methods used in other local jurisdictions.

### Overview

The County currently uses the Performance Counts (PC) measurement framework to track and monitor department statistics and outcomes. Departments developed PC program results, indicators, and measures and then track data in these areas each year. This report provides a brief summary of the County's PC program along with other County outcome measures. This report also provides the findings of the CEO and CIO's analysis of best practices in performance management used by other jurisdictions throughout the nation.

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## **Performance Counts and Current County Outcome Measures**

The County began piloting the PC framework in 2003. By the FY 2004-05 Requested Budget, all departments were utilizing the PC framework in their annual budget requests. PC is the County's standardized system to consistently capture, present and report performance data. The framework provides flexibility for departments to present measures which are representative of the services they provide. It encourages managers to select measures that link to department's internal performance improvement efforts. PC was designed to create a results-oriented culture that fostered an environment of continual operational, administrative and programmatic improvement.

Departments developed PC measures for each of the major program areas listed in their annual budget request. The PC framework includes a program description, program result, program indicators, and operational measures for each program area.

PC measures were included in the annual recommended budget from 2004-05 through 2008-09 and made available online. From 2009-10 through 2011-12, PC measures were published separately in an annual Program Summary and Performance Measurement document that was available online through the CEO's website. Beginning in 2012-13, departments were no longer required to submit their PC measures with their budget request, but departments were required to continue tracking the data for their departmental use and so they could provide it if requested by the CEO or your Board.

In response to the Board's direction relating to outcome measures, the CEO requested that departments provide their most recent PC data. The CEO plans to publish this information online in a Program Summary and Performance Measurement document by the end of January 2016. The document will be similar to the type of annual publication that was available during the period of 2009-10 through 2011-12.

The PC system offers a standard format with flexibility to departments, but the number of measures that it tracks and data it provides can make it difficult to use this information to inform decision makers. Some departments had difficulty identifying outcome measures for some programs. Past experience with the PC system has shown that it is difficult to use this data to make budget decisions and track the County's progress toward achieving key priorities.

The ad hoc initiatives created to address the 2015 Major Priorities of the Board of Supervisors have made significant progress in identifying outcomes related to the issue they were established to address. They have worked with partners across multiple departments to gather key data. The outcome focus of these initiatives could be used as a model to expand the County's effectiveness at identifying and tracking countywide outcome measures.

## Best Practices in Measuring Outcomes

The CEO, in collaboration with the CIO, conducted an analysis of the outcome measures and performance management systems utilized by nine jurisdictions throughout the nation that included state, county, and city governments. The governments included in this analysis were:

State	County	City/County	City
Maryland	Fairfax County, VA	Denver, CO	New York, NY
Washington	Maricopa County, AZ	Louisville, KY <sup>1</sup>	Los Angeles, CA
		Nashville, TN <sup>2</sup>	

<sup>1</sup> The Louisville-Jefferson County Metro Government (Louisville)

<sup>2</sup> The Metropolitan Government of Nashville & Davidson County, TN (Nashville)

These jurisdictions used a variety of methods to measure performance. The findings below provide details on the best practices in outcome measures and performance management practices that were identified through the analysis.

### ***Tracking and Reporting Meaningful Data with a Focus on Outcomes***

The most effective performance management systems invest the time at the beginning of the process to ensure that the measures they are tracking are meaningful. There was a clear emphasis among the jurisdictions to focus on outcomes rather than workload measures. Selecting measures that represented top priorities for the jurisdiction was also a valuable tool that most jurisdictions used. New York City chose to track over 500 measures with a mix of outcomes and workload measures. This provided a deep look into the performance of each of their agencies, but also made it more difficult to track overall trends and see progress of high priority issues. At the other end of the spectrum, Nashville identified four major goal areas with 17 total measures. This model lacks the detail and transparency offered by other models, but made it very easy at a glance to track the progress of these key outcomes.

### ***Making Data Available Online***

Almost all of the jurisdictions included in this analysis provided performance data measures on their website for the public. The performance measures were in addition to open data sites that many of these governments also maintained. Providing the data online increases public access to information, transparency, and government accountability. The data also provides the public and other stakeholders with valuable insights into the effectiveness of their governments' ability to address and impact important issues and demonstrate the success of effective government programs.

### ***Regularly Updating Data***

Performance data provided to the public through an online site must be kept current and regularly updated. Three of the jurisdictions in our analysis did not have current data on their website and this severely limited the usefulness of their information. Other jurisdictions had a mix of current data and data that was 12 to 24 months old. Providing consistently current data is an important component for making information useful to the public. When selecting performance outcomes, the County should be careful to select data that will be available on a regular basis and is unlikely to get delayed due to external data disruptions. Monthly updates appear to be an ideal time period.

### ***Setting Clear Goals for Improvement***

Jurisdictions demonstrated different approaches for setting goals, but the best examples of performance improvement came from governments with a focus on improvement. New York City and Nashville focused on improving measured outcomes during each reporting period. Success in these jurisdictions was measured by year-to-year improvements of key indicators. Washington, Fairfax County, Maricopa County, and Louisville set target goals for key indicators. They measured success on their ability to make progress towards and achieve those goals. The continual improvement model used by New York City and Nashville is easier to implement because it does not require time for initial goal setting and avoids the problem of setting a goal that is too aggressive or too easy to obtain. The downside of this model is that it does not differentiate between areas where large improvement is needed compared to areas where relatively little improvement is necessary. The target-setting model provides a clear standard of success for each measure. The drawbacks of this model include the time that may be required to determine the appropriate goal for each measure and the difficulties in determining the appropriate goal.

### ***Coordinating Standardized Measurement and Process Improvement***

Successful jurisdictions indicated that it was important to have a central team or agency responsible for the coordinating the performance measurement process, providing guidance to departments, and standardizing data so that it can be distributed in a clear and consistent format. Some jurisdictions in our analysis established offices whose primary objective was to track, analyze and report on performance measures. Many of these offices also specialized in helping departments develop and complete process improvement projects. Examples of these offices include the Office of Performance Improvement (Louisville), Results Washington in the Office of the Governor (Washington), and the Governor's Office of Performance Improvement (Maryland). Another alternative used by some jurisdictions was to coordinate performance management efforts from an existing department such as the Department of Management and Budget (Fairfax County) and the Office of Management and Budget (Maricopa County).

## Conclusion

There is an opportunity to improve the County's performance measurement system and provide important outcome data to the public. The best practices from other jurisdictions demonstrate successful outcome measuring and performance management techniques that could help the County enhance the way it tracks, monitors, and reports outcome measures.

The CEO and CIO recommend that the County initially establish a set of 12 – 20 meaningful outcome measures that would be published online. Identifying an internal expert within the County, or contracting with a performance measurement consultant, would be needed to assist the County in identifying these initial outcome measures related to high priority issues in the County. After the initial implementation, the original set of outcome measures could be expanded with the addition of a second set of outcome measures that highlight other important outcomes.

The County's Open Data website at <http://data.lacounty.gov> does not currently highlight outcome data, but the portal could be updated to also display outcome measures in a format similar to the one used by other local jurisdictions. Posting outcome data on this site would promote transparency, accountability, and public access to County information and data.

If you have any questions or need additional information, please contact me, or your staff may contact Jim Jones at (213) 974-8355 or via e-mail at [jjones@ceo.lacounty.gov](mailto:jjones@ceo.lacounty.gov).

SAH:JJ:SK  
KS:alc

c: Executive Office, Board of Supervisors  
Chief Information Office  
County Counsel